

HOUSE BILL 3431

By Odom

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 7, relative to the operation and governance of public and private post secondary education in Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, Part 20, is amended by adding the following language as a new, appropriately designated section:

§ 49-7-2019.

(a) The commission shall promulgate rules and regulations for requirements of operating proprietary schools in this state.

(b) Such rules and regulations shall require each proprietary school to distribute written information to each potential student about the institution including, but, not limited to:

- (1) The institution's annual tuition costs per course;
- (2) Complete explanation of the institution's credit transferability;
- (3) Most recent rates of the institution's student retention, withdrawal, graduation, and, if applicable, passage rates for state licensure exams; and
- (4) The commission's complaint contact telephone number.

(c) Such rules and regulations shall also specify that the maximum annual tuition which may be charged at such proprietary school shall be one half (1/2) of the average expected starting salary of entry level employment available to a graduate of such proprietary school in the graduate's field of study.

(d) Such rules and regulations shall also increase the fee structure for authorizing proprietary schools for operation in the state. The additional revenue generated by such

increased fees shall be earmarked for use by the commission to increase the number of proprietary school regulation staff.

(e) Such rules and regulations shall also require that each instructor at such proprietary school has obtained a post-secondary degree which is at least one (1) level higher than the degree level such instructor is eligible to instruct students.

(f) Such rules and regulations shall also specify that each such proprietary school shall disclose all pertinent information about such school's programs and courses, including, but not limited to, tuition, accreditation, credit transferability, and financial aid assistance, to a prospective student immediately when discussing the school by telephone and make such information readily available on the Internet.

(g) Such rules and regulations shall also use the following schedule to set the new fee collection scale, and shall be based upon an institution's annual gross tuition revenue collected in Tennessee based on the institution's previous fiscal year, as follows:

Institutional renewal fees

- (1) \$0 - \$100,000 - \$750
- (2) 100,001 - 200,000 - 1,000
- (3) 200,001 - 300,000 - 1,250
- (4) 300,001 - 400,000 - 1,500
- (5) 400,001 - 500,000 - 1,750
- (6) 500,001 - 600,000 - 2,000
- (7) 600,001 - 700,000 - 2,250
- (8) 700,001 - 800,000 - 2,500
- (9) 800,001 - 900,000 - 2,750
- (10) 900,001 - 1,000,000 - 3,000

- (11) 1,000,001 - 1,100,000 - 3,250
- (12) 1,100,001 - 1,200,000 - 3,500
- (13) 1,200,001 - 1,300,000 - 3,750
- (14) 1,300,001 - 1,400,000 - 4,000
- (15) 1,400,001 - 1,500,000 - 4,250
- (16) 1,500,001 - 1,600,000 - 4,500
- (17) 1,600,001 - 1,700,000 - 4,750
- (18) 1,700,001 - 1,800,000 - 5,000
- (19) 1,800,001 - 1,900,000 - 5,250
- (20) 1,900,001 - 2,000,000 - 5,500
- (21) 2,000,001 - 2,100,000 - 5,725
- (22) 2,100,001 - 2,200,000 - 6,000
- (23) 2,200,001 - 2,300,000 - 6,250
- (24) 2,300,001 - 2,400,000 - 6,500
- (25) 2,400,001 - 2,500,000 - 6,750
- (26) 2,500,001 - 2,600,000 - 7,000
- (27) 2,600,001 - 2,700,000 - 7,250
- (28) 2,700,001 - 2,800,000 - 7,500
- (29) 2,800,001 - 2,900,000 - 7,750
- (30) 2,900,001 - 3,000,000 - 8,000
- (31) 3,000,001 - 3,100,000 - 8,250
- (32) 3,100,001 - 3,200,000 - 8,500
- (33) 3,200,001 - 3,300,000 - 8,750
- (34) 3,300,001 - 3,400,000 - 9,000
- (35) 3,400,001 - 3,500,000 - 9,250

- (36) 3,500,001 - 3,600,000 - 9,500
- (37) 3,600,001 - 3,700,000 - 9,750
- (38) 3,700,001 - 3,800,000 - 10,000
- (39) 3,800,001 - 3,900,000 - 10,250
- (40) 3,900,001 - 4,000,000 - 10,500
- (41) 4,000,001 - 5,000,000 - 10,750
- (42) 5,000,001 - 6,000,000 - 11,000
- (43) 6,000,001 - 7,000,000 - 11,250
- (44) 7,000,001 - 8,000,000 - 11,500
- (45) 8,000,001 - 9,000,000 - 11,750
- (46) 9,000,001 - 10,000,000 - 12,000
- (47) 10,000,001 - 11,000,000 - 12,250
- (48) 11,000,001 - 12,000,000 - 12,500
- (49) 12,000,001 - 13,000,000 - 12,750
- (50) 13,000,001 - 14,000,000 - 13,000
- (51) 14,000,001 - 15,000,000 - 13,250
- (52) 15,000,001 - 16,000,000 - 13,500
- (53) 16,000,001 - 17,000,000 - 13,750
- (54) 17,000,001 - 18,000,000 - 14,000
- (55) 18,000,001 - 19,000,000 - 14,250
- (56) 19,000,001 - 20,000,000 - 14,500
- (57) 20,000,001 - 21,000,000 - 14,750
- (58) 21,000,001 - 22,000,000 - 15,000
- (59) 22,000,001 - 23,000,000 - 15,250
- (60) 23,000,001 - 24,000,000 - 15,500

- (61) 24,000,001 - 25,000,000 - 15,750
- (62) 25,000,001 - 26,000,000 - 16,000
- (63) 26,000,001 - 27,000,000 - 16,250
- (64) 27,000,001 - 28,000,000 - 16,500
- (65) 28,000,001 - 29,000,000 - 16,750
- (66) 29,000,001 - 30,000,000 - 17,000
- (67) 30,000,001 - 31,000,000 - 17,250
- (68) 31,000,001 - 32,000,000 - 17,500
- (69) 32,000,001 - 33,000,000 - 17,750
- (70) 33,000,001 - 34,000,000 - 18,000
- (71) 34,000,001 - 35,000,000 - 18,250
- (72) 35,000,001 - 36,000,000 - 18,500
- (73) 36,000,001 - 37,000,000 - 18,750
- (74) 37,000,001 - 38,000,000 - 19,000
- (75) 38,000,001 - 39,000,000 - 19,250
- (76) 39,000,001 - 40,000,000 - 19,500
- (77) 40,000,001 - 41,000,000 - 19,750
- (78) 41,000,001 - 42,000,000 - 20,000
- (79) 42,000,001 - 43,000,000 - 20,250
- (80) 43,000,001 - 44,000,000 - 20,500
- (81) 44,000,001 - 45,000,000 - 20,750
- (82) 45,000,001 - 46,000,000 - 21,000
- (83) 46,000,001 - 47,000,000 - 21,250
- (84) 47,000,001 - and up - 21,500

(85) Late renewal fees (in addition to base renewal fee) - \$1,000

(86)(A) New school application -\$3,000

(B)..Each proposed program - \$500

(87) New programs - \$500

(88) Agent fee in-state - \$200

(89) Agent fee out-of-state - \$300

(90) Authority to grant degrees - \$2,000

(91) Change of address - \$500

(92) Non-compliance fines (per day, per violation) - \$500

(93) Institution name change - \$500

SECTION 2. The commission is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act shall take effect July 1, 2008, the public welfare requiring it.